



# TENNESSEE REAL ESTATE News-Journal

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## Diane Beaty Receives 2003 "Bill" Tune Award Excellence in Real Estate Education



Pictured left to right: Commissioners Charles Haynes, Isaac Northern, Frances Almany, Recipient Diane Beaty, Commissioners Betty Smith, Bobbi Gillis and Bob Clement

Diane Beaty was awarded the 2003 William "Bill" Tune Award for Excellence in Real Estate Education at a luncheon held in her honor in Memphis on November 13, 2003. Diane began teaching real estate in 1987 and is the owner of the Memphis/West Tennessee Professional School of Real Estate.

She began her real estate career in 1982 as an affiliate broker and obtained her broker license in 1985. She holds an active real estate broker's license but has little time to list and sell because teaching and managing the school consume so much of her time. In addition, Diane has actively participated as a member of the Memphis Area Association of REALTORS since 1982 and has served on numerous committees. She served on the MAAR Education Foundation for a three-year term from 1997 to 1999 and is presently serving on the MAAR Board of Directors. Diane, like most educators, is a perpetual student and has recently attended classes and met all requirements to be awarded the Consumer-Certified Real Estate Consultant designation.

The luncheon, which was attended by TREC Commissioners and staff, Diane's school faculty and her family and friends, gave each attendee an opportunity to reflect on the educational endeavors of the late Bill Tune and the outstanding real estate education that Diane has provided for more than 15 years.

When not teaching, Diane enjoys vegetable and flower gardening with her family, and with the fruits of their labor, she and her

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daughter produce "The Beaty Ladies" jams, jellies and condiments, which are coveted for holiday presents.

Congratulations to Diane Beaty for an excellent job in real estate education.

## TREC to Resume Education Seminars

The annual TREC education seminars which have been cancelled in the recent past will resume in 2004. Restrictions in travel dollars had curtailed the statewide seminars.

Information concerning the reinstatement of the seminars was received in mid-December and locations for the educational opportunities had not been determined when this newsletter was sent to printing. Please look for more information in future News-Journals for dates and times. These seminars will carry two hours of continuing education which can be used to satisfy required elective hours of CE.

## Dear Anonymous:

The Commission receives a surprisingly large number of anonymous complaints over the fax machine and through the mail. Now, don't get us wrong. It's not that we don't appreciate your efforts and it's not that they don't receive our attention to the extent that staff and time allows. It's just that we are unable to advise you when your complaints are not actually violations of the license law or what actions we have taken when there are violations. Also, a number of these anonymous complaints do not contain enough information to allow TREC to follow through to a conclusion. So, in order to communicate to you as a group, we thought it would be helpful to address some of the more common anonymous complaints:

**Advertising:** All advertisements for sale or lease of listed property must contain the firm name and firm phone number. When a licensee advertises his/her own property for sale or lease and that property is not listed through a broker, the licensee's firm name need not be included in the ad. The agent is required, however, to include the designation "owner/agent". (Commission Rule 1260-2-.12).

If you are sending in a newspaper ad, do not cut out just the ad and tape it to a piece of paper. We need the entire section of the paper showing the ads surrounding the one in question and showing the issue of the paper in which it appeared. If you send in a photograph of a sign you have taken, we need a date the

picture was taken and where the sign is located, etc.

**Pointer Signs:** If a pointer sign contains the firm name, it must also contain the firm phone number.

**Franchise Legend:** The legend that each office is independently owned and operated is required only on those advertisements where no specific property is being advertised.

**Sales Claims:** i.e. John Doe has sold more homes in this area than anyone else, etc. TREC has no way of verifying the truth of statements of this nature. Without substantiating documentation to the contrary, there is no violation.

**Advertising a specific commission rate:** Brokers often advertise a specific commission rate in an attempt to solicit business. This rate is usually below the common, "accepted" rate for a particular region. Many brokers are under the impression that this is considered "price fixing" and is illegal. Price fixing, however, is when two or more separate firms collude to set a specific commission rate in an area contrary to free-market negotiations of commissions. An individual broker or firm may set a specific commission rate, even a very low one, and advertise that rate as long as other laws, such as Fair Housing, are not violated.

## TREC is Publishing a New Official Manual

As this newsletter goes to print, a new Official Manual of the Tennessee Real Estate Commission is also going to print. The

manual will provide current laws and rules governing the practice of real estate and will be mailed to all licensees who hold active, inactive and retired Tennessee real estate licenses.

In addition, the manual provides the names and contact information for all current Commissioners, phone, fax and website information for the Commission's administrative office, an expanded index and many more frequently asked questions with answers than appeared in the 2001 edition of the manual. The manual will be mailed to the firm of record for all active licensees and to the home of inactive and retired licensees. The Manual will have a blue cover and will replace the 2001 edition, which has a red cover.

## Newly Licensed Affiliate Brokers:

**The Course for  
New Affiliates  
Must Be  
Completed  
Before the 6  
Month  
Anniversary of  
Your Real Estate  
License**

# DISCIPLINARY ACTION

## OCTOBER 2003

### **HAYES & ASSOC.**

**Lic. No. FM60015**

**Jefferson City, TN**

Principal Broker H. David Hayes agreed to pay a civil penalty of \$500.00 following a TREC inspection which revealed failure to document personal interest in two transactions and failure to document agency in one transaction.

### **REALTY EXECUTIVES**

**BELLEMEADE**

**GREENHILLS**

**Lic. No. FM254724**

**Brentwood, TN**

Principal Broker John David Coulton agreed to pay a civil penalty of \$250.00 after a TREC inspection revealed failure to timely deposit earnest money.

### **JOHN DAVID**

**COULTON**

**Lic. No. PB247657**

**Brentwood, TN**

Mr. Coulton agreed to pay a civil penalty of \$250.00 after a TREC inspection revealed failure to include the firm name on a posted advertisement.

### **VINTAGE HOMES LLC**

**Lic. No. FM256613**

**Memphis, TN**

Principal Broker Sandy Maloni agreed to pay a civil penalty of \$250.00 after a TREC inspection revealed failure to maintain records relating to a real estate transaction.

### **NORTHSTAR REALTY**

**Lic. No. FM242152**

**Powell, TN**

Principal Broker Jerry Tilson agreed to pay a civil penalty of \$500.00 after a TREC inspection revealed failure to disclose agency status in three of the five files reviewed.

### **C. D. STOREY**

**PROPERTIES**

**Lic. No. FM240809**

**Nashville, TN**

Principal Broker Carl Storey agreed to pay a civil penalty of \$500.00 after a TREC inspection revealed failure to display a firm sign and failure to have an escrow account.

### **REALTY EXECUTIVES**

**FINE HOMES**

**Lic. No. FM255591**

**Nashville, TN**

Principal Broker Gregory L. Wood agreed to pay a civil penalty of \$250.00 after a TREC inspection revealed failure to display a sign.

### **HARWELL-PARTNERS**

**REALTORS &**

**AUCTIONEERS**

**Lic. No. FM59610**

**Pulaski, TN**

Principal Broker James K. Blackburn agreed to pay a civil penalty of \$250.00 after a TREC inspection revealed failure to timely deposit earnest money.

### **TOM LEACH REAL ESTATE**

**Lic. No. FM246886**

**LaFollette, TN**

Principal Broker Tom Leach agreed to pay a civil penalty of \$1,000.00 after a TREC inspection revealed

failure to document agency disclosure and failure to timely account for earnest money deposits.

## NOVEMBER 2003

### **JERRY W. COLLINS**

**Lic. No. AF256675**

**Knoxville, TN**

Mr. Collins (buyer's representative) consented to pay a civil penalty of \$500.00 after it was determined he failed to inform the seller of requested repairs when the contract for sale was contingent upon a home inspection with the seller being given an opportunity to make any noted repairs.

### **RIDGECREST LOG**

**CABIN &**

**CHALET RENTALS**

**Unlicensed**

**Gatlinburg, TN**

Dennis Reagan, designated agent for the company, consented to pay a civil penalty of \$8,000.00 for engaging in activities which require a Vacation Lodging Service License without being licensed.

### **CHARLOTTE MABRY**

**Lic. No. AF228140**

**Chattanooga, TN**

Ms. Mabry agreed to pay a civil penalty of \$500.00 following a TREC inspection which revealed she was operating an unlicensed firm (the Charlotte Mabry Co.) in violation of Tennessee statute.

Continued from Page 3

**BARRY EVANS**  
**Lic. No. PB15655**  
**RE/MAX Properties**  
**Lic. No. FM255847**  
**Chattanooga, TN**

Mr. Evans agreed to pay a joint civil penalty of \$1,000.00 following a TREC inspection when it was determined he paid commissions to an unlicensed firm (The Charlotte Mabry Co.) in two transactions and for failing properly make agency disclosure in two of the five transactions reviewed by the auditor.

**CRYE-LEIKE**  
**COMMERCIAL**  
**Lic. No. F255122**  
**Brentwood, TN**

Principal Broker Phillip K. Rosenblum agreed to pay a civil penalty of \$250.00 for failing to timely account for earnest money in a transaction.

**GATLINBURG REAL**  
**ESTATE & RENTALS**  
**Lic. No. F240555**  
**Gatlinburg, TN**

Principal Broker David Dixon agreed to pay a civil penalty of \$500.00 for failing to properly account for escrow monies in 3 of the transactions reviewed during a TREC audit.

**COLDWELL BANKER**  
**LAKESIDE**  
**INC. REALTORS**  
**Lic. No. F8519**  
**Earl L. Sharp**  
**Lic. No. PB210590**  
**Hendersonville, TN**

Principal Broker Earl L. Sharp agreed to pay a joint civil penalty of \$250.00 for failing to include

the firm phone number in advertising.

**TERRI L.**  
**HOLLANDSWORTH**  
**Lic. No. AF272012**  
**Brentwood, TN**

Ms. Hollandsworth agreed to pay a civil penalty of \$250.00 for failing to include the firm name and phone number in an advertisement.

**DOUGLAS W. DANIEL**  
**Lic. No. AF217859**  
**Brentwood, TN**

Mr. Daniel agreed to pay a civil penalty of \$250.00 for failing to include the firm name and phone number in an advertisement.

**JAMES K. WHALEY**  
**Lic. No. TS251269**  
**Sevierville, TN**

Mr. Whaley, who currently holds a Timeshare Persons License but was a Principal Broker at the time of infractions, consented to complete two disciplinary orders and pay two civil penalties. One consent order for failure to timely refund earnest money (\$500.00 civil penalty) and the other for failure to account for or remit moneys in his possession which belong to others (\$500.00).

**HAROLD D. FEENER**  
**Lic. No. AF275916**  
**Nashville, TN**

Mr. Feener agreed to pay a civil penalty of \$500.00 for multiple mailed advertisements without the firm name and firm phone number.

**STANLEY A. FEENER**  
**Lic. No. AF277100**  
**Nashville, TN**

Mr. Feener agreed to pay a civil penalty of \$500.00 for multiple mailed advertisements without the firm name and firm phone number.

**DECEMBER 2003**

**CHARLES A.**  
**EDMUNDS**  
**Lic. No. AF252600**  
**Knoxville, TN**

Mr. Edmunds consented to pay a civil penalty of \$750.00 for making a duplicate key of the one in the lockbox on seller's house and giving it to prospective buyers prior to the buyers meeting the conditions for occupancy and without the knowledge and consent of the sellers.

**ROBERT T. MULLINS**  
**Lic. No. AF249407**  
**Knoxville, TN**

Mr. Mullins consented to: paying a civil penalty of \$7,500.00, a 14 day suspension of his real estate license and a downgrade of his license from that of broker to affiliate, after it was determined he failed to turn over earnest money checks to his broker but instead depositing them into his personal account.

**TARGET AUCTION &**  
**LAND COMPANY, INC.**  
**Unlicensed**  
**Bessmer, AL**

Respondent agreed to pay a civil penalty of \$2,500.00 for engaging in real estate activities requiring a license without being properly licensed to do so in Tennessee.

**BILL McSPADDEN**  
**REAL ESTATE**  
**Lic. No. FM245876**  
**Knoxville, TN**

Principal Broker William McSpadden agreed to pay a civil



**CORE COURSE 03/04 PROVIDERS** (as of 12-3-03)

Career Institute	615-765-7470
Center for Continuing Education & Consulting	615-860-4357
Chattanooga Assn. REALTORS	423-698-8001
D&D School of Real Estate	800-282-9375
Dyer Co. Assn. REALTORS	731-288-2700
Excel Real Estate School	423-626-5821
Greater Nashville Assn. REALTORS	615-254-7516
Knoxville Area Assn. REALTORS	865-584-8647
Memphis Area Assn. REALTORS	901-818-2421
Memphis West TN Prof School	901-366-1536
Nashville School of Real Estate	615-329-1366
Performance Concepts, Inc.	901-276-3600
Professional School of Real Estate	800-609-1222
Reelfoot Regional Assn. REALTORS	731-885-8797
Regional Education Forum	615-771-6845
River Counties Assn. REALTORS	423-476-5912
Robertson County Assn. REALTORS	615-384-0816
Southern Middle Tennessee Board of REALTORS	931-381-5556
Success REal Estate School	901-360-0854
Tennessee Assn. REALTORS	800-252-6012
Tennessee Auctioneers Assn.	888-717-6699
Tennessee Valley Association REALTORS	731-642-6623
TRECS	865-693-4992
TREES	800-572-8733

## Principal Brokers, Please Check License Expiration Dates

Affiliate Brokers licensed in July 2003 who resided in Tennessee at the time of licensure were issued licenses that expire six (6) months after the date of issue. The sixth month anniversary date for these licensees occurs in January 2004. If the affiliate broker has not completed the Course for New Affiliates by the six month anniversary date of the license, the license automatically expires and the licensee must cease and desist the practice of real estate.

If the licensee completes the Course for New Affiliates timely (prior to the six month anniversary of the license) TREC issues a second license, free of charge, with an expiration date of December 31, 2004. The licensee who complies with timely completion of that course can continue to practice the profession of real estate.

Principal Brokers, please check the wall licenses to determine if any of your affiliate brokers still have licenses that expire in January 2004 and remind them of the requirement and of the possible expiration of their licenses. There were 370 affiliate brokers licensed in July 2003, and on November 21, 2003 letters were generated to 214 of those individuals for whom we had no Course for New Affiliate completion information. Copies of these letters were mailed to the Principal Broker of record for those licensees who hold an active

license. We receive course completion information from schools daily and have already received course completion information for some of the 214 licensees who were sent letters and have generated new wall licenses for them. We also know that some individuals licensed in July have determined their futures are not in the profession of real estate and will not take the course and will allow their licenses to naturally expire on the sixth month anniversary date.

We are concerned about licensees who do wish to pursue their careers and will lose their licenses by not completing the course timely. In December 2003 letters will be mailed to affiliates licensed in August 2003 whose licenses will expire in February 2004 if the Course for New Affiliates is not completed timely. These reminder letters will continue to be sent during the fifth month of licensure to affiliates whose files reflect non-completion of the course.

Principal Brokers, please continue to monitor the expiration dates of your affiliated licensees.

### Disciplinary Action Continued from Page 4

penalty of \$250.00 for failing to include the firm phone number in an advertisement.

**JOSEPHINE B.  
BUCKLEY  
Lic. No. BR215702  
Brentwood, TN**

Ms. Buckley consented to pay a civil penalty of \$250.00 for failure to include the firm name and phone number in an advertisement.

## Tennessee Real Estate Commission

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**TREC Contact Information:**  
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